rolled Bills, have had S. B. No. 121 carefully examined, compared and read, and find same correctly enrolled.

STONE of Galveston, Chairman.

Austin, Texas, May 29, 1939.

Hon. Coke R. Stevenson, President of the Senate:

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 276 carefully examined, compared and read, and find same correctly enrolled.

STONE of Galveston, Chairman.

Austin, Texas, May 30, 1939.

Hon. Coke R. Stevenson, President of the Senate:

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 313 carefully examined, compared and read, and find same correctly enrolled.

STONE of Galveston, Chairman.

Austin, Texas, May 30, 1939.

Hon. Coke R. Stevenson, President of the Senate:

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 461 carefully examined, compared and read, and find same correctly enrolled.

STONE of Galveston, Chairman.

SEVENTY-EIGHTH DAY

(Wednesday, May 31, 1939)

The Senate met at 10:00 o'clock a. m., pursuant to adjournment, and was called to order by President Stevenson.

The roll was called, and the following Senators were present:

Aikin Moore Beck Nelson Brownlee Pace Redditt Burns Collie Roberts Cotten Shivers Graves Small Hardin Spears Head Stone of Galveston Hill Isbell Stone of Washington Kelley Sulak Lanning Van Zandt Lemens Martin Weinert Winfield Metcalfe Moffett

A quorum was announced present.

By invitation of the President, the invocation was offered by Hon. John E. Roach, a member of the House of Representatives.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

Reports of Standing Committees

Senator Pace submitted the following report of the Committee on Mining, Irrigation and Drainage:

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Mining, Irrigation and Drainage, to whom was referred

H. B. No. 1079, A bill to be entitled "An Act to aid the San Jacinto River Conservation and Reclamation District embracing the Counties of Montgomery, Walker, San Jacinto, and all that part of Liberty County embraced in the San Jacinto Watershed in car-rying out the powers, duties, and functions conferred upon such District by the Legislature; granting and donating to such District, with limitations, for a period of ten (10) years, fifty (50) per cent of all the State ad valorem taxes for General Revenue purposes upon the property and from persons in counties comprising in whole or in part such District; providing for reports to the Comptroller by Tax Assessor-Collectors in the various counties, and also by the Board of Directors of the District and the Treasurer of the District; providing the Act shall in no wise affect any tax donation now in effect in said District; and declaring an emergency,"

Have had the same under consideration, and we desire to report it back to the Senate with the recommendation that it do pass and be printed.

PACE, Chairman.

Senator Head submitted the following report of the Committee on Interstate Cooperation:

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Inter-

state Cooperation, to whom was referred

S. C. R. No. 57, Establishing a Texas Commission on Interstate Cooperation,

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HEAD, Chairman.

Senator Weinert submitted the following reports of the Committee on State Affairs:

Austin, Texas, May 30, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

S. B. No. 471, A bill to be entitled "An Act requiring the Board of Regents of The University of Texas to levy Student Union Fees; providing for the collection thereof; providing for the control of the money obtained from said fees; and declaring an emergency,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

WEINERT, Chairman.

Austin, Texas, May 30, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

H. B. No. 340, by Morris, Keith et al., A bill to be entitled "An Act levying various taxes and providing certain revenue for the payment of old age assistance, aid to destitute children, aid to needy blind, and the obligations of the State under the Teachers Retirement Act; amending Section 2 of Chapter 241, Acts of the Regular Session of the Forty-fourth Legislature, and levying certain taxes on persons making the first sale in this State of cigarettes and providing for the collection and administration thereof; amending Section 2 of Article 7057a of the Revised Civil Statutes of Texas, 1925, same being Section 2, Chapter 162, Acts of the Fortythird Legislature, Regular Session,

1933, as amended by Acts of the First Called Session of the Forty-third Legislature, 1933, Chapter 12, Section 1, as amended by Acts of the Third Called Session of the Forty-fourth Legislature, 1936, Chapter 495, Article 4, Section 4, levying certain occupation taxes on oil produced within this State, defining certain terms in connection therewith, etc.; etc.; repealing all laws in conflict herewith, with certain exceptions; and declaring an emergency,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

WEINERT, Chairman.

Austin, Texas, May 30, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

H. B. No. 908, by Wright et al., A bill to be entitled "An Act levying gross receipts taxes on wholesale and retail merchants, lenders of money or credit, and severance taxes upon those producing sulphur, natural gas, and oil, for the purpose of providing revenues to pay old age assistance, and to enable the State to meet its obligations to the destitute children, needy blind, and Teachers Retirement Fund, etc.; and providing a saving clause,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

WEINERT, Chairman.

Senate Bills on First Reading

Senator Pace moved that the rule relative to the introduction of bills after the first 60 days of the Regular Session of the Legislature be suspended to permit his introducing a general bill at this time.

The motion prevailed by the following vote:

Yeas-31

Aikin	Hardin
Beck	Head
Brownlee ·	Hill
Burns	Isbell
Collie	Kelley
Cotten	Lanning
Graves	Lemens

Martin Spears Metcalfe Stone of Galveston Moffett Stone Moore of Washington Nelson Sulak Pace Redditt Van Zandt Weinert Roberts Winfield Shivers Small

The following bill then was introduced, read first time, and referred to the committee indicated:

By Senator Pace:

S. B. No. 481, A bill to be entitled "An Act authorizing and directing the Board of Control and the Governor to execute an easement conveying to the County of Upshur right-of-way necessary for the construction of a county road across the lands of the Texas State Colored Orphanage in Upshur County, said lands being described by metes and bounds; and authorizing and directing the Board of Control and the Governor to execute an easement conveying to the State Highway Department right-of-way necessary for the construction of State Highway No. 155 across the lands of the Texas State Colored Orphanage in Upshur County, said lands being described by metes and bounds; describing procedure to be followed in each instance; and declaring an emergency."

Referred to Committee on Counties and County Boundaries.

Senator Shivers moved that the rule relative to the introduction of bills after the first 60 days of the Regular Session of the Legislature be suspended to permit his introducing a general bill at this time.

The motion prevailed by the following vote:

Yeas - 31

Lemens
Martin
Metcalfe
Moffett
Moore
Nelson
Pace
Redditt
Roberts
Shivers
Small
Spears
•

Stone Sulak
of Galveston Van Zandt
Stone Weinert
of Washington Winfield

The following bill then was introduced, read first time, and referred to the committee indicated:

By Senator Shivers:

S. B. No. 482, A bill to be entitled "An Act validating and approving all proceedings had by the Board of Directors of any Water Control and Improvement District situated wholly within one county and containing not exceeding three thousand five hundred (3,500) acres of land, and created for the purpose of the construction of improvements for a water purification and distribution system, together with a sanitary sewer system, under authority of Section 3, of Chapter 25, Acts of the Thirty-ninth Legislature, Regular Session, as amended by Section 1, of Chapter 107, Acts of the Fortieth Legislature, First Called Session, and as further amended by Section 2, Chapter 280, Acts of the Forty-first Legislature, Regular Session, and Section 3a, of Chapter 25, Acts Thirty-ninth Legislature, Regular Session, as added by Section 17a, of Chapter 280, Acts of the Forty-first Legislature, Regular Session, in the issuance and sale of water and sewer construction bonds on the faith and credit of any such districts, for which a loan has been made by the United States, through the Reconstruction Finance Corporation, or other agency or department of the Government of the United States; validating such bonds and the tax levies made for the payment of such bonds; providing the provisions hereof shall not apply to any such proceedings or bonds issued thereunder, the validity of which has been contested in any pending suit or litigation; enacting provisions incident and relating to the subject and purpose of this Act; and declaring an emergency."

Referred to Committee on Counties and County Boundaries.

House Bills on First Reading

The following bills, received from the House on yesterday, were laid before the Senate, read severally first time, and referred to the committees indicated:

H. B. No. 1081, to Committee on Finance.

H. B. No. 1109, to Committee on Game and Fish.

H. B. No. 545, to Committee on Highways and Motor Traffic.

H. B. No. 828, to Committee on Finance.

H. B. No. 1040, to Committee on Finance.

H. B. No. 644, to Committee on Finance.

Report of Conference Committee on House Bill 249

Senator Van Zandt submitted at this time the following report of the Conference Committee on H. B. No.

> Austin, Texas, May 24, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Hon. R. Emmett Morse, Speaker of the House.

Sirs: We, your Conference Committee, appointed to adjust the differences between the House and the Senate on H. B. No. 249, have met and beg leave to recommend that said H. B. No. 249 be passed in the form attached hereto.

Respectfully submitted,

KEITH. BAKEŔ, HOLLAND, FELTY COLQUITT

On the part of the House.

VAN ZANDT, SMALL, AIKIN,

On the part of the Senate.

H. B. No. 249.

By Keith, Thornberry, Baker of Fort Bend.

A BILL

TO BE ENTITLED

An Act concerning the liquidation, rehabilitation, reorganization or conservation of insurers and placing same under the Board of Insurance Commissioners; defining certain words and phrases used in this Act; providing for the appointment of a Liquidator by the Board

ceedings against insurers said Liquidator shall be appointed as Receiver therefor and outlining his duties as such Receiver; providing for ancillary delinquency proceedings; defining the powers, duties, rights and privileges of Receivers, Liquidators, Special Deputy Liquidators and other assistants and employees provided under the authority of this Act; providing for the preparation and filing by the Liquidator of duplicate inventories of the insurer's assets; providing that after notice and hearing the Liquidator may sell or compound doubtful debts and may sell real or personal property under order of the Court; providing for the deposit of all money collected by the Liquidator; providing for the filing of claims with such Liquidator and for judicial and other proceedings in connection therewith; providing for the compensation of the Liquidator and all Special Deputy Liquidators, counsel, clerks and assistants hereunder; providing for the disposition of unclaimed dividends on approved claims; providing for the revesting of title to the insurer's assets in the stockholders of such insurer upon payment of all claims by the Liquidator; providing for the form and content of all bonds required under the terms of this Act; providing for the repeal of all laws or parts of laws in conflict herewith with certain exceptions; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. Definitions.

For the purposes of this Act:

(a) "Insurer" means any person, firm, corporation, association or aggregation of persons doing an insurance business and subject to the insurance supervisory authority of the

Board of Insurance Commissioners.
(b) "Delinquency proceeding" means any proceeding commenced against an insurer for the purpose of liquidating, rehabilitating, reor-

ganizing or conserving such insurer.
(c) "General assets" means all property, real or personal, not specifically mortgaged, pledged, deposited or otherwise encumbered for the security or benefit of specified persons or a limited class or classes of persons, and as to such specifically of Insurance Commissioners; pro- encumbered property the term inviding that in all delinquency pro- cludes all in excess of the amount encumbered property the term innecessary to discharge the sum or sums secured. Assets held in trust and assets held on deposit, for the security or benefit of all policy holders, or all policy holders and creditors, in the United States, shall be deemed general assets.

(d) "Liquidator" means the person designated by the Board of Insurance Commissioners as receiver, liquidator, rehabilitator or conservator of all insurers as defined herein.

(e) "Board" shall mean the Board

(e) "Board" shall mean the Board of Insurance Commissioners of the State of Texas.

Sec. 2. Conduct of Delinquency Proceedings Against Domiciliary Insurers.

Whenever under the law of this State a court of competent jurisdiction finds that a receiver should take charge of the assets of an insurer domiciled in this State, the liquidator designated by the Board of Insurance Commissioners as hereinafter provided for shall be such receiver. The liquidator so appointed receiver shall forthwith take possession of the assets of such insurer and deal with the same in his own name as received or in the name of the insurer as the court may direct.

The said Receiver and his successors in office shall be vested by operation of law with the title to all of the property, contracts and rights of action of such insurer, wherever located, as of the date of entry of the order directing possession to be taken. The filing or recording of such an order in any record office of the State shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded by such insurer. The receiver shall be responsible, on his official bond hereinafter provided for, for all assets coming into his possession. The court may require an additional bond, or bonds, from the said receiver, and, if deemed desirable for the protection of the assets, may require a bond, or bonds, of any special deputy liquidator, or other assistant or employee appointed by or under the authority of this Act.

Upon taking possession of the assets of a delinquent insurer the Receiver shall, subject to the direction of the court, immediately proceed to conduct the business of the insurer, or to take such steps as may

be necessary to conserve the assets and protect the rights of policy holders and claimants for the purpose of liquidating, rehabilitating, reinsuring, reorganizing or conserving the affairs of the insurer. An inventory in duplicate of the insurer's assets shall be prepared forthwith by the liquidator, one of which shall be filed in office of the Board and one in the office of the Clerk of the Court having jurisdiction, which inventories shall be open to inspection. The liquidator may sell or compound doubtful debts and may sell real or personal property under order of the Court, but no such order shall be entered or sale made without notice and hearing. All money collected by the liquidator shall be forthwith deposited in such bank or banks in this State as may be designated by the Board, which banks shall be members of the Federal Deposit Insurance Corporation. The funds collected or realized from the assets of each insurer shall be kept separate and apart from all other funds. Whenever any account in any such bank exceeds the maximum amount insured by said Federal Deposit Insurance Corporation, the Board is hereby authorized and directed to make such contracts and require such security as it may deem proper for the safeguarding of such deposit.

If it shall appear to the Court that the interests of creditors will be best served by liquidation of insurer's affairs, the liquidator shall cause weekly notice to be published for three consecutive months in two or more newspapers. The notice shall call upon all persons having claims against the insurer to present them to the liquidator and make legal proof thereof at a designated place within ninety days after the date of the first insertion of the notice. The liquidator shall mail a similar notice to all persons whose names appear as creditors upon insurer's books.

Under direction of the Court, the liquidator may pay one or more dividends after the date fixed for presentation of claims, and may pay a final dividend after one year from the date of the first published notice to creditors. Delayed claims may participate only in future dividends.

tion of the court, immediately proceed to conduct the business of the insurer, or to take such steps as may claim filed against the insurer. Ob-

jections to any claim not rejected may be made by any party interested, by filing the objections with the liquidator, who shall forthwith present them to the Court for determination after notice and hearing. Upon the rejection of each claim, the liquidator shall notify the claimant of such rejection either by registered mail or by writ-ten notice personally served. Action upon a claim so rejected must be brought within six months after serv-

The Board shall have power to appoint and fix the compensation of the liquidator and of such special deputy liquidators, counsel, clerks, or assistants, as it may deem necessary. The payment of such compensation and all expenses of liquidation shall be made by the liquidator out of funds or assets of the insurer on approval of the Board. An itemized report of such expenses, sworn to by the liqui-dator and approved by the Board, shall be presented to the Court from time to time, which account shall be approved by the Court unless objec-tion is filed thereto within ten days after the presentation of the account. The objection, if any, must be made by a party at interest and shall specify the item or items objected to and the ground of such objection. The Court shall set the objection down The for hearing, notifying the parties of the setting. The burden of proof shall be upon the party objecting to show that the items objected to are improper, unnecessary or excessive.

Unclaimed dividends on approved claims remaining in the liquidator's hands after payment of the final dividend shall be delivered to the Board. If funds or assets remain after the liquidator has paid in full every approved claim filed and has paid all expenses of the liquidation, he shall pay over to the Board an amount equal to the unclaimed liabilities according to insurer's books. Such funds shall be deposited by the Board in trust in a special account to be maintained in the State Treasury.

On receipt of satisfactory written and verified proof of ownership within seven years from the date such funds are so deposited in the State Treasury, the Board shall certify such facts to the Comptroller of Public Accounts, who shall issue proper warrant therefor in favor of the parties respectively entitled thereto such money remaining unclaimed with the Board for seven years shall automatically escheat to and become the property of the General Revenue Fund

of the State of Texas.

When the liquidator shall have made provision for unclaimed dividends and liabilities, he shall call a meeting of the stockholders of the insurer by giving notice thereof in one or more newspapers in the County where the principal office of the insurer was located, and by written notice to the stockholders of record at their last known address. At such meeting, the stockholders shall appoint an agent or agents to take over the affairs to continue the liquidation for benefit of the stockholders. Voting privileges shall be governed by the insurer's by-laws. A majority of the stock shall be represented at the agent's appointment. Such agent or agents shall execute and file with the Court such bond or bonds as shall be approved by it, conditioned on the faithful performance of all the duties of the trust. Under order of the Court, the liquidator shall then transfer and deliver to such agent or agents for continued liquidation under the Court's supervision all assets of insurer remaining in his hands, whereupon the liquidator and the Board, and each member and employee thereof, shall be discharged from any further liability to such insurer and its creditors and stockholders; provided, however, that nothing herein contained shall be so construed as to permit the insurer to continue in business as such, but the charter of such insurer and all permits and licenses issued thereunder or in connection therewith shall be ipso facto revoked and annulled by such order of the Court directing the liquidator to transfer and deliver the remaining assets of such insurer to such agent or agents.

Sec. 3. Ancillary Delinquency Pro-

ceedings.

Whenever under the laws of this State, a receiver is to be appointed in delinquency proceedings for an insurer domiciliary in another State, a Court of competent jurisdiction in this State shall, on the petition of the Board of Insurance Commissioners of this State, appoint the liquidator herein provided as ancillary receiver in this State of such insurer. The Board shall file such petition (a) if it finds that there are sufficient drawn on the State Treasurer. Any assets of such insurer located in this State to justify the appointment of an ancillary receiver, or (b) if ten or more persons resident in this State, having claims against such insurer, file a petition or petitions in writing with the Board, requesting the appointment of such ancillary receiver. Such ancillary receiver shall have the right to sue for and reduce to possession the assets of such insurer in this State, and shall have the same powers and be subject to the same duties with respect to such assets, as are possessed by a receiver of a domiciliary insurer under the laws of this State. The remaining provisions of this Act shall be applicable to the conduct of such ancillary proceedings.

Sec. 4. Appointment of Liquidator.

The Liquidator named herein shall be appointed by a majority of the said Board of Insurance Commissioners, and shall be subject to removal by a majority of said Board, and before entering upon the duties of said office, shall file with the Board of Insurance Commissioners a bond in the sum of \$10,000.00, payable to the Board of Insurance Commissioners, and conditioned upon the faithful performance of his duties and the proper accounting for all moneys and properties received or administered by him.

Said Liquidator shall file reports with the Board of Insurance Commissioners upon its request showing the operation, receipts, expenditures and general condition of any organization of which he may have charge at that time, and, upon request, shall file a copy of said report with the Court in which said receivership proceeding is pending. He shall also file a final report of each organization which he has liquidated or handled showing all receipts and expenditures, and giving a full explanation of the same and a true statement of the disposition of all of the assets of each organization.

If, within two years after the receivership shall have been closed by final order of the Court, the liquidator shall discover assets not known to him during receivership, he shall report his findings to the Court. It shall be within the discretion of the Court as to whether the value of the after discovered assets shall justify the reopening of the receivership for continued liquidation.

Sec. 5. Bonds.

All bonds required under the terms of this Act shall be upon such forms as may be prescribed by or satisfactory to the Board, and shall be executed by some solvent corporate company authorized to transact its surety bond business in Texas.

Sec. 6. Conflicts of Laws.

In the event of conflict between the provisions of this Act and the provisions of any existing law, the provisions of this Act shall prevail and all laws, or parts of laws, in conflict with the provisions of this Act are hereby repealed to the extent of such conflict; provided, however, that to the extent of the conflicts between this Act and the provisions of Senate Bill No. 135, Acts of the Regular Session, Forty-sixth Legislature, the latter shall prevail, and the provisions of this Act are hereby declared to be inapplicable to insolvency proceedings instituted under the provisions of said Senate Bill No. 135.

Sec. 7.

The fact that there are no adequate laws in the State of Texas for the liquidation, reorganization or conservation of an insolvent insurance company, creates an emergency and an imperative public necessity that the Constitutional rule requiring bills to be read on three separate days in each House be suspended, and the same is hereby suspended, and this Act shall be in force from and after its passage, and it is so enacted.

Reports of Standing Committees

Senator Hardin, by unanimous consent, submitted at this time the following reports of the Committee on Counties and County Boundaries:

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Counties and County Boundaries, to whom was referred

S. B. No. 482, by Shivers, A bill to be entitled "An Act validating and approving all proceedings had by the Board of Directors of any Water Control and Improvement District situated wholly within one county and containing not exceeding three thousand five hundred (3,500) acres of land, and created for the purpose of the construction of improvements for a water purification and distribution

system, together with a sanitary sewer system, under authority of Section 3, of Chapter 25, Acts of the Thirty-ninth Legislature, Regular Session, as amended by Section 1, of Chapter 107, Acts of the Fortieth Legislature, First Called Session, and as further amended by Section 2, Chapter 280, Acts of the Forty-first Legislature, Regular Session, and Section 3a, of Chapter 25, Acts Thirty-ninth Legislature, Regular Session, as added by Section 17a, of Chapter 280, Acts of the Forty-first Legislature. ture, Regular Session, in the issuance and sale of water and sewer construc-tion bonds on the faith and credit of any such districts, for which a loan has been made by the Unted States, through the Reconstruction Finance Corporation, or other agency or department of the Government of the United States; validating such bonds and the tax levies made for the payment of such bonds; providing the provisions hereof shall not apply to any such proceedings or bonds issued thereunder, the validity of which has been contested in any pending suit or litigation; enacting provisions inci-dent and relating to the subject and purpose of this Act; and declaring an emergency,

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

HARDIN, Chairman.

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Counties and County Boundaries, to whom was referred

S. B. No. 481, A bill to be entitled "An Act authorizing and directing the Board of Control and the Governor to execute an easement conveying to the County of Upshur right-of-way necessary for the construction of a county road across the lands of the Texas State Colored Orphanage in Upshur County, said lands being described by metes and bounds; and authorizing and directing the Board of Control and the Governor to execute an easement conveying to the State Highway Department right-of-way necessary for the construction of State High- companies now admitted to do busi-

way No. 155, across the lands of the Texas Colored Orphanage in Upshur County, said lands being described by metes and bounds; describing procedure to be followed in each instance; and declaring an emergency,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

HARDIN, Chairman.

by unanimous Senator Roberts, consent, submitted at this time the following report of the Committee on Finance:

Austin, Texas May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

We, your Committee on Finance, to whom was referred

H. B. No. 644, A bill to be entitled "An Act making appropriation to defray the equitable portion which the State of Texas should make available to the United States Government, or its agencies for completion of the water survey of the Rio Grande River and its watershed from Fort Quitman south to the mouth of the Rio Grande River; enacting provisions incident to and relating to the subject; and declaring an emergency,

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

ROBERTS, Chairman.

Bills Signed

The President signed, in the presence of the Senate, after their captions had been read, the following enrolled bills:

- S. B. No. 276, "An Act providing for the establishment of a State Board of Embalming, providing for the appointment and terms of the members thereof and for their removal, granting powers and imposing duties upon said Board; and declaring an emergency."
- S. B. No. 313, "An Act providing for taxing the premium receipts of foreign assessment life and casualty

ness in Texas, under Chapter V, Title 78, Revised Civil Statutes of Texas, 1925, as amended by S. B. No. 37, Chapter 40, Acts of 1929, First Called Session Forty-first Legislature, as amended by S. B. No. 106, Chapter 60, Acts of 1929, Second Called Session, Forty-first Legislature, in the event any such company should hereafter reorganize, amend its charter or otherwise change its plan of operation so that it shall not be subject to the provisions of said Chapter V, Title 78, Revised Civil Statutes of Texas, as amended, and declaring an emergency."

S. B. No. 461, "An Act providing that any person of good moral character who, on May 22, 1937, had been engaged in the practice of architecture in this State for a period of at least six months prior to said date and who failed to obtain a registration certificate as provided for in Section 7 of Chapter 478, Acts of 1937, Forty-fifth Legislature, may have thirty (30) days from the date upon which this Act goes into effect in which to file with the Board of Architectural Examiners the affidavit and pay the fee of \$25.00 in order to obtain a certificate authorizing such person to practice Architecture in the State of Texas, as provided in said Act, and further amending said Act; and declaring an emergency."

Motion to Take Up House Bill 688

Senator Van Zandt moved that the Senate rules relating to the order of business be suspended and that H. B. No. 688 be taken up for further consideration at this time.

Senator Spears raised a point of order against consideration of the motion at this time, on the ground that the morning call has not been completed and that a motion to take up a bill out of its regular order may not be entertained during the morning call.

The President overruled the point of order.

Question recurring on the motion of Senator Van Zandt, it was lost by the following vote:

Yeas—11

Burns

Cotten

Isbell Stone
Martin of Washington
Moore Van Zandt
Pace Weinert
Redditt Winfield

Nays—17

Aikin Metcalfe Brownlee Moffett Collie Nelson Graves Shivers Hardin Small Head Spears Hill Stone of Galveston Lanning Sulak Lemens

Absent

Beck Kelley Roberts

House Bill 344 on Passage to Third Reading

(Special Order)

The President laid before the Senate, as an unfinished special order, on its passage to third reading (the bill having been read second time on Tuesday, May 23, 1939):

H. B. No. 344, A bill to be entitled "An Act defining publication, newspaper, political sub-division, district and certain mandatory expressions; designating persons to select newspapers in which publications are to be inserted; fixing a minimum and a maximum charge for publications in newspapers; providing for the publication of notices, proclamations, advertising, and citations in newspapers; repealing conflicting provisions of Articles 3, 29, 1154, 3311, 3334, 3808, 4204. 7206, 7276, 7342 and 7624 of the Revised Civil Statutes of Article 4115 of the Revised Civil Statutes as amended by Acts of 1935, Fortyfourth Legislature, Chapter 254, Section 1, of Acts of 1925, Thirty-ninth Legislature, Chapter 161, Sections 2 through 6, of Acts of 1933, Fortythird Legislature, First Called Session, Chapter 84, Section 1, and of Acts of 1937, Forty-fifth Legislature, Chapter 506; repealing all parts of laws in conflict; providing a rule of construction, and declaring an emergency."

Question—Shall the bill be passed to third reading?

Senator Nelson moved the previous question on the passage of the bill

to third reading, and the motion was duly seconded.

The Senate refused to order the main question at this time by the following vote:

Yeas-11

Hardin Hill	Metcalfe Nelson
Isbell	Spears
Kelley	Stone
Lanning	of Galveston
Lemens	Sulak

Nays-19

Aikin	Pace
Brownlee	$\mathbf{Redditt}$
Burns	${f Roberts}$
Collie	Shivers
Cotten	Small
Graves	Stone
Head.	of Washington
Martin	Van Zandt
Moffett	\mathbf{W} einert
Moore	Winfield

Absent

Beck

Senator Spears raised a point of order against further consideration of H. B. No. 344 at this time, on the ground that it was set for a special order for a day after the day for which H. B. No. 231 had previously been set as a special order and that H. B. No. 231 should, therefore, be considered and disposed of before H. B. No. 344 is considered further.

The President overruled the point of order and held that H. B. No. 344, being an unfinished special order, and being pending business at this time, should be disposed of before H. B. No. 231 is laid before the Senate, as required by Senate Rule 12.

Message from the House

A Clerk from the House was recognized to present the following message:

Hall of the House of Representatives, Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bill notwithstanding the Governor's veto by a vote of 106 yeas and 23 nays: S. B. No. 69, "An Act providing that no party who participates either in person or by his attorney in the actual trial of the case in the trial court shall be entitled to review by the Court of Civil Appeals through means of writ of error; providing for a repeal of all laws and parts of laws insofar as they conflict with this Act or repeal; providing that writ of error shall continue to be available under the rules and regulations of the law, to a party who does not participate in the trial of the case in the trial court; providing for the effective date of this Act, and declaring an emergency."

The House has passed the following resolutions:

S. C. R. No. 58, Inviting Congressman Martin L. Dies to address a Joint Session of the Legislature. (With amendments.)

H. C. R. No. 160, Authorizing Ross Brothers and Cook Brothers to sue the State of Texas.

Respectfully submitted, E. R. LINDLEY,

Chief Clerk, House of Representatives.

Recess

Senator Stone of Washington moved that the Senate recess to 2:00 o'clock p. m., today.

Yeas and nays were demanded, and the motion prevailed by the following

Yeas-15

Burns Collie Cotten Isbell Martin Moffett Moore	Redditt Roberts Small Stone of Washington Van Zandt Weinert
Pace	Winfield

Nays—12

Aikin	Metcalfe
Brownlee	Nelson
Graves	Spears
Hardin	Stone
Hill	of Galveston
Lanning	Sulak
Lemens	

Absent

Beck	Kelley
Head	Shivers
IICAG	DHITTOID

The Senate, accordingly, at 11:55 o'clock a. m., took recess to 2:00 o'clock p. m., today.

Afternoon Session

The Senate met at 2:00 o'clock p. m., and was called to order by the President.

Leave of Absence Granted

Senator Redditt was granted leave of absence for the remainder of this week on account of illness, on motion of Senator Pace.

Senate Concurrent Resolution 58 with House Amendment

Senator Brownlee called up S. C. R. No. 58 from the President's table, for consideration of the House amendment to the resolution.

The President laid the resolution and the House amendment before the Senate.

On motion of Senator Brownlee, the Senate concurred in the House amendment.

Message from the House

A Clerk from the House was recognized to present the following message:

Hall of the House of Representatives, Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has granted the request of the Senate for the appointment of a Conference Committee to consider the differences between the two Houses on S. B. No. 224. The following are conferees on the part of the House: Hartzog, Pope, Gilmer, Daniel, Winfree.

The House refused to concur in Senate amendments to H. B. No. 195 and has requested the appointment of a conference committee to consider the differences between the two Houses. The following are appointed on the part of the House: Loggins, Morris, McNamara, Vale, Harrell of Bastrop.

The House has passed the following bill:

S. B. No. 28, A bill to be entitled

Acts of the Regular Session of the Forty-first Legislature of Texas; authorizing the Board of Directors of Texas Technological College to erect and equip and to contract for the erection, completion, and equipment of certain dormitories, cottages, and other buildings and improvements and to purchase or lease additional real estate therefor, to contract with municipalities and school districts for the joint construction of certain buildings, to issue certain revenue obligations to pay therefor and as security to pledge the net rents, fees, and revenue and incomes of other certain properties owned by said college, limiting the rate of interest to be borne by such obligations to a rate not to exceed six (6%) per cent per annum and the maturity date thereof for a period not exceeding twenty (20) years from date thereof; authorizing said Board of Directors to pledge the unused part of any revenues from self-liquidating buildings for the construction of additions to said buildings or the construction of any other buildings and the purchase of sites therefor, providing that subsequent issue of revenue bonds or notes shall be a second lien and inferior to outstanding revenue bonds or notes secured by pledge of said revenues; prescribing certain powers and duties in regard to establishing and maintaining schedules of rates, fees, and charges sufficient to pay operating and maintenance costs and to pay principal and interest upon the obligations herein authorized and limiting the maximum fees which may be charged; authorizing said Board of Directors to adopt certain rules and regulations in regard to the control of improvements authorized herein; prohibiting the creation of any debt against said college or the State of Texas and prescribing the manner of payment of the obligations authorized herein; providing for the approval of all bonds by the Attorney General of Texas and the registration thereof by the Comptroller of Public Accounts of Texas and the approval of the State Auditor of all revenue bonds or revenue notes herein authorized; authorizing said Board of Directors to borrow money and issue obligations of said college therefor payable within the biennium of the then current appropriation bill; empowering said Board of Directors to do any and all "An Act amending Chapter 206 of the I things necessary and convenient to

carry out the purposes and intent of this law; repealing all laws and parts of laws in conflict herewith; providing that if any section, provision, or part of this act is held invalid the remaining sections, provisions, and portions shall not be affected thereby; and declaring an emergency." (With amendments.)

Respectfully submitted, E. R. LINDLEY, Chief Clerk, House of Representatives.

Senate Bill on First Reading

By unanimous consent, the following bill was introduced, read first time, and referred to the committee indicated:

By Senator Van Zandt:

S. B. No. 483, A bill to be entitled "An Act to amend Section 1 of H. B. No. 909, Acts of the Regular Session of the Forty-sixth Legislature, relating to the duties of county auditors in certain counties; and declaring an emergency."

Referred to Committee on Counties and County Boundaries.

Reports of Standing Committees

By unanimous consent, the following reports were submitted at this time:

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Counties and County Boundaries, to whom was referred

S. B. No. 483, A bill to be entitled "An Act to amend Section 1 of H. B. No. 909, Acts of the Regular Session of the Forty-sixth Legislature, relating to the duties of county auditors in certain counties, and declaring an emergency,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

HARDIN, Chairman.

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Civil Javelina or the Jurisprudence, to whom was referred an emergency,

H. B. No. 1037, A bill to be entitled "An Act amending Section 2 of Article 3883, Revised Civil Statutes of Texas, 1925, as amended by Chapter 20, Acts of the Forty-first Legislature, Fourth Called Session, as amended by Chapter 340, Acts of the Fortysecond Legislature, Regular Session, as amended by Chapter 220, Acts of the Forty-third Legislature, Regular Session, as amended by Chapter 284, Acts of the Forty-fifth Legislature, Regular Session, as amended by Chapter 391, Acts of the Forty-fifth Legislature, Regular Session, by providing that in counties with a taxable valuation of not less than Fifty-one Million, One Hundred Thousand Dollars (\$51,100,000) nor more than Fifty-one Million, Four Hundred Thousand Dollars (\$51,400,000) taxable valuation for county purposes and in all counties with a taxable valuation for county purposes of not less than Twenty-seven Million, Nine Hundred and Fifty Thousand Dollars (\$27,950,-000), nor more than Twenty-seven Million, Nine Hundred and Sixty Thousand Dollars (\$27,960,000) according to the valuation as shown on the County Tax Assessor-Collector's rolls for the current year of 1938, the Commissioners Courts shall have the power to fix the maximum amount of fees the Justices of the Peace and Constables shall be allowed to retain out of the fees collected by such officers, the maximum amount to be retained shall not exceed the sum of Thirty-six Hundred Dollars (\$3600) per annum; limiting amount of quarterly payment out of fees collected during quarter; and declaring an emergency,"

Have had the same under consideration and we wish to report it back to the Senate with the recommendation that it do pass and be not printed.

VAN ZANDT, Chairman.

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred

H. B. No. 1109, A bill to be entitled "An Act amending House Bill No. 884 of the Regular Session of the Forty-sixth Legislature relating to the taking of Collared Peccary or Javelina or their hides; and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

MOORE, Chairman.

Austin, Texas, May 31, 1939.

Hon. Coke R. Stevenson, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred

H. B. No. 1098, A bill to be entitled "An Act to prohibit the sale or offering for sale, or the buying of any bass, crappie, perch, or catfish or any other fish taken from any river, creek, lake, slough, bayou, tank, or pond flowing or situated within the boundaries of DeWitt County, prescribing a penalty; and declaring an emergency,"

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

MOORE, Chairman.

House Bill 344 on Passage to Third Reading

(Special Order)

The Senate resumed consideration of the pending special order, same being H. B. No. 344, relative to publication of legal notices, on its passage to third reading.

Question—Shall the bill be passed to third reading?

Motion to Adjourn

Senator Martin moved that the Senate adjourn until 10:00 o'clock a.m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas—9

Burns	Stone
Cotten	of Washington
Martin	Van Zandt
Moore	Weinert
Pace	Winfield

Nays-19

Graves
Hardin
Head
Hill

Kelley Roberts
Lanning Shivers
Lemens Spears
Metcalfe Stone
Moffett of Galveston
Nelson Sulak

Absent

Isbell

Small

Absent—Excused

Redditt

Question—Shall H. B. No. 344 be passed to third reading?

Senate Bill 482 on Second Reading

Senator Shivers moved that the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 482 be placed on its second reading and passage to engrossment and on its third reading and final passage.

The motion prevailed by the following vote:

Yeas-30

Moffett
Moore
Nelson
Pace
Roberts
Shivers
Small
Spears
Stone
of Galveston
Stone
of Washington
Sulak
Van Zandt
Weinert
Winfield

Absent-Excused

Redditt

On motion of Senator Shivers and by unanimous consent, Senate rules 31a and 48 were suspended, and the regular order of business was suspended, to permit consideration of S. B. No. 482 at this time.

The president laid the bill before the Senate on its second reading and passage to engrossment.

The bill was read second time and was passed to engrossment.

Senate Bill 482 on Third Reading

The President then laid S. B. No. 482 before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas-30

Aikin Beck Brownlee Burns Collie Cotten Graves Hardin Head Hill Isbell Kelley Lanning Lemens Martin Metcalfe	Moffett Moore Nelson Pace Roberts Shivers Small Spears Stone of Galveston Stone of Washington Sulak Van Zandt Weinert Winfield
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Absent—Excused

Redditt

Bills and Resolutions Signed

The President signed, in the presence of the Senate, after their captions had been read, the following enrolled bills and resolutions:

- H. B. No. 1113, "An Act to amend Section 1 of House Bill No. 196, passed by the Regular Session of the Fortysixth Legislature, and declaring an emergency."
- H. B. No. 431, "An Act providing pay for County Board members of certain counties and limiting the number of sessions to be paid for, and declaring an emergency."
- H. B. No. 1084, "An Act repealing House Bill No. 666 passed at the Regular Session of the Forty-sixth Legislature, the same being a local game bill for Comanche County, and declaring an emergency."
- H. B. No. 1095, "An Act creating a Special Road Law for Haskell County, Texas, validating an issue of refunding warrants dated March 15, 1939, in the amount of Fiftyseven Thousand (\$57,000.00) Dollars and the proceeding authorizing their issuance; providing that such validation shall not affect any of such refunding warrants the validity of which is in issue in litigation within thirty (30) days after the date this Act becomes effective; repealing

House Bill No. 479, passed at the Regular Session of the Forty-sixth Legislature, and declaring an emergency."

- H. B. No. 995, "An Act providing that it shall be unlawful to kill quail in counties of a certain population except on certain days; providing the number of quail that can be killed in one day, and providing a penalty for violation of this Act."
- H. C. R. No. 170, Instructing the Enrolling Clerk of the House to make certain corrections, Section 1, line 1 of H. B. No. 1113.
- H. C. R. No. 166, Inviting Robert L. Ripley to address a joint session of the Legislature on June 5, 1939, at 11:00 a. m.

House Bill 344 on Passage to Third Reading

(Special Order)

The Senate resumed consideration of the pending special order, same being H. B. No. 344, relating to the publication of legal notices, on its passage to third reading.

Question—Shall the bill be passed to third reading?

Motions to Adjourn

Senator Stone of Washington moved that the Senate adjourn until 10:00 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas—10

Beck	Stone
Burns	of Washington
Cotten	Van Zandt
Martin	Weinert
Mooré	Winfield
Pace	

Nays—18

Aikin	Metcalfe
Brownlee	Moffett
Collie	Nelson
Graves	Roberts
Hardin	Shivers
Head	Spears
Hill	Stone
Kelley	of Galveston
Lanning	Sulak
Lemens	

Absent

Isbell

Small

Absent—Excused

Redditt

After further debate, Senator Cotten moved that the Senate adjourn until 10:00 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas-10

Burns	Stone
Cotten	of Washington
Kelley	Van Zandt
Martin	\mathbf{W} einert
Moore	Winfield
Pace	

Nays-17

Aikin	Lemens
Beck	Metcalfe
Brownlee	Moffett
Collie	Nelson
Graves	Shivers
Hardin	Spears
Head	Stone
Hill	of Galveston
Lanning	Sulak

Absent

Isbell Roberts Small

Absent-Excused

Redditt

After further debate, Senator Burns moved that the Senate adjourn until 10:00 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas-9

Burns	Stone
Cotten	of Washington
Moore	Van Zandt
Pace	\mathbf{W} einer \mathbf{t}
Roberts	Winfield

Nays-18

Lemens
Metcalfe
Moffett
Nelson
Shivers
Spears
Stone
of Galveston
Sulak
,

Absent

Isbell Martin Small

Absent—Excused

Redditt

After further debate, Senator Burns moved that the Senate adjourn until 10:00 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas-10

Burns	Stone
Cotten	of Washington
Moore	Van Zandt
Pace	Weinert
Roberts	Winfield
Stone	

Nays-15

Aikin	\mathbf{K} elley
Beck	Lanning
Brownlee	Lemens
Collie	Metcalfe
Graves	Moffett
Hardin	Nelson
Head	Shivers
Hill	Spears

of Galveston

Absent

Small Isbell Martin Sulak

Absent—Excused

Redditt

Adjournment

After further debate, Senator Burns moved that the Senate adjourn until 10:00 o'clock a. m. tomorrow.

Senator Spears raised the point of order that no business has been transacted since the Senate defeated a motion to adjourn.

The President overruled the point of order.

Yeas and nays were demanded, and the motion to adjourn prevailed by the following vote:

Yeas—13

Burns	Roberts
Collie	Shivers
Cotten	Stone
Martin	of Washington
Moffett	Van Zandt
Moore	Weinert
Pace	Winfield

Nays-12

Aikin Brownlee Hardin Head Hill Kelley Lanning

Lemens
Metcalfe
Nelson
Spears
Stone
of Galveston

Absent

Beck

Graves

Isbell Small Sulak

Absent-Excused

Redditt

The Senate, accordingly, at 5:10 o'clock p. m., adjourned until 10:00 o'clock a. m. tomorrow.

In Memory of

Ibon. John S. Bonner

Senator Moore, by unanimous consent, offered the following resolution:
(Senate Resolution 89)

Whereas, The Senate of Texas has learned with profound sorrow of the passing of John S. Bonner of Houston, Texas, who was an outstanding citizen of this State, and who pioneered in many of the great industrial enterprises which have meant so much to its progress.

Mr. Bonner was born in Angelina County on April 25, 1873, thus making him sixty-six years old at the time of his death. All of those years were crowded with a full life. He removed from Angelina County to Houston about the time he reached his maturity and commenced immediately on an energetic, successful business career.

He first entered the oil business in 1896 when he became an employee of the Davis Oil Company of Houston. A few years later, he bought in the Southwestern Oil Company, a successor to the Davis Oil Company, and became Vice-President of the new firm. At a later date, the Houston Oil Company took over the Southwestern properties and Mr. Bonner became President of this company. In 1919, the Humble Oil Company acquired by purchase the controlling stock in the Bonner Oil Company and John S. Bonner became Vice-President and Sales Manager of this company, serving for a long number of years.

During the past two or three years, Mr. Bonner had been manager of the W. P. A. in the Houston territory, in which capacity he remained until he resigned recently on account of ill health.

He attended the public schools of Angelina County, and afterwards pursued a course at Southwestern University at Georgetown. Besides the many business enterprises in which he was engaged during an active life, he found much time to devote to public welfare, and his services in that respect meant much to Houston, his native State, and the Nation. Keen of intellect and versatile to a remarkable degree, Mr. Bonner was an outstanding figure in any company. He had few equals in truly interpreting human nature; and in portraying many of the things which lie so close to the hearts of every human being, he had no superiors. He loved nature, and he loved mankind and was always happy when he could infuse pleasure into those with whom he was associated.

He possessed a superior wit and often delighted in mimicking the camp meeting proceedings of colored preachers in early days, as many of his friends will testify.

He loved the great outdoors and everything that pertained to it, and nothing gave him greater pleasure than to commune with the wild life of the open spaces. He was an ardent conservationist in this respect, and every spare moment found him traveling among the birds, the fishes, and the fleet-footed deer; not so much to capture or kill them, but to see that their kind increased for the benefit of those who would come after him.

Many years ago, he built his home by the sea in order that he might live closer to the denizens of the deep, and he spent many happy hours in sailing his boat on the nearby waters.

Akin to his love for nature and everything that it meant, he had a very deep sympathy for the under-privileged and his work in Houston in furthering the treatment of crippled children, the propagation of the Community Chest and other civic enterprises will be a lasting monument to his memory. All of these characteristics and others which go to make up a great and good man, Mr. Bonner possessed; and in his passing the people of Houston and his native State have lost a true friend and helper in their time of need; therefore, be it

Resolved by the Senate of Texas, That the death of Mr. Bonner, who was se well loved among the citizens of the State and Nation, will be felt and mourned wherever he was known; and that his passing reminds us more forcibly than words can testify "A tower has fallen—a star has set." Be it further

Resolved, That a copy of this testimonial of our love and affection for this distinguished citizen be printed in the Journal and be sent to each member of his family, and that when the Senate adjourn for the day, it do so in his honor.

MOORE, REDDITT, COTTEN, BURNS, SHIVERS, STONE of Washington.

The resolution was read and was adopted unanimously.